COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF THE COST MATERIAL FILED WITH THE PROPOSED CONTRACT OF BELLSOUTH TELECOMMUNICATIONS, INC., WITH HOME FEDERAL BANK FOR CALLER ID DELUXE ON ESSX® FILED WITH THE COMMISSION ON MAY 24, 1996

CASE NO. 96-232

<u>O R D E R</u>

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed May 24, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with a special service arrangement contract with Home Federal Bank for Caller ID Deluxe Service on the grounds that disclosure of the information is likely to cause BellSouth competitive injury, and it appearing to this Commission as follows:

BellSouth has contracted with Home Federal Bank to provide Caller ID Deluxe Service, a feature of Digital Essx® Service. This feature is not currently tariffed for use with Essx® Service. In support of its application to approve the agreement, BellSouth has provided cost data which it seeks to protect as confidential.

The information sought to be protected is not known outside of BellSouth and is not disseminated within BellSouth except to those employees who have a legitimate business need to know and act upon the information. BellSouth seeks to preserve and protect the confidentiality of the information through all appropriate means, including the maintenance of appropriate security at its offices.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That subsection of the statute exempts several categories of information. One category exempted in paragraph (c)1 of that subsection is commercial information confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. To qualify for the exemption, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

Call Forwarding Variable is a feature of Digital Essx® Service. BellSouth competitors for Essx® Service are providers of PBX equipment, which offers the same functionality. This information would enable BellSouth's competitors to determine its cost and contribution from the service which they could use in marketing their competing services. Therefore, disclosure of the information is likely to cause BellSouth competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the cost data filed in support of the proposed contract with Home Federal Bank for Caller ID Deluxe Service, which BellSouth has petitioned to be

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withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 28th day of June, 1996.

PUBLIC SERVICE COMMISSION

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Commissioner

ATTEST: Mills

Executive Director